

From: [Larry Scott](#)
To: [Heeke, David - \(dheeke\)](#); [Ray Anderson](#); [Jim Knowlton](#); [Rick George](#); [Bernard Muir](#); [Rob Mullens](#); [Barnes, Scott](#); [Dan Guerrero](#); [Lynn Swann](#); [Mark Harlan](#); [Jennifer Cohen](#); [Patrick Chun](#)
Cc: [Jamie Zaninovich](#); [Danette Leighton](#); [Woodie Dixon](#); [Mark Shuken](#); [Brent Willman](#); [Teresa Gould](#); [Erik Hardenbergh](#); [Andrew Walker](#)
Subject: Market news
Date: Wednesday, March 20, 2019 7:39:58 PM

Dear ADs -

Relevant to our discussions on Saturday, I wanted to share the news (see below) that ESPN and the American Athletic Conference just announced a 12-year media deal that represents a 4x increase over their current rights fees. Further confirmation that the value of college sports rights is increasingly significantly, even for a mid-major Conference. While no one can perfectly predict the future, this is the most recent data point that supports our vision and the wisdom of holding onto our media rights until our current deals expire, allowing us to benefit from continued increasing underlying value and more competitors and options in the marketplace.

Best regards,

Larry

AAC, ESPN Agree To 12-Year Media-Rights Deal Worth \$1B

By Michael Smith and John Ourand

March 19, 2019

The American Athletic Conference will get \$1B for its media rights from ESPN over 12 years, according to sources. The average of \$83.3M per year is about four times what the AAC was making in its previous rights agreement with the net, which paid the league just over \$20M annually. The new agreement begins in '20-21 and runs through the '31-32 academic year.

The annual per-school average of \$6.94M provides each AAC school with nearly \$5M more in annual revenue. They did not sign a grant of rights, which would have restricted them from jumping to a conference in the Power Five. SBJ reported in December that the AAC was considering a grant-of-rights, which effectively turns over a school's media rights to the conference.

The comprehensive deal provides ESPN with rights to all of the AAC's live programming, except for a small package of basketball games on CBS and some Navy football games on CBS Sports Network. The new contract also calls for some Saturday football games to be broadcast on ABC. Football, along with men's and

women's basketball, will remain on ESPN, ESPN2 and ESPNU, but the majority of basketball games and a significant number of the football games will go to ESPN+. Other live sports including baseball, softball and soccer also will air on ESPN+. Renewal talks with CBS have not begun.

From: [Barnes, Scott](#)
To: [Ray, Edward](#); [Larry Scott](#)
Subject: Re: Market news
Date: Wednesday, March 20, 2019 8:20:42 PM

Yes seemingly and positive sign.

Sent from my iPhone

On Mar 20, 2019, at 7:51 PM, Ray, Edward <Ed.Ray@oregonstate.edu> wrote:

Thanks Larry.

Sent from my iPhone

On Mar 20, 2019, at 7:38 PM, Larry Scott <REDACTED> wrote:

Dear CEO Group -

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